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March 11, 2002

APR - 2 2002

Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
Room TW-B204
445 12th St. S.W.
Washington, D.C. 20554

Re: In the Matter of Federal-State Board on Universal Service Review of Lifeline and Link-Up Service For All Low-Income Consumers.

CC Docket No. 96-45

Dear Ms. Salas:

Please find the original and four duplicate copies of Comments on Behalf of Utility, Cable & Telecommunications Committee of the City Council of New Orleans. Please file these Comments into the record of this matter.

If you have any questions, please feel free to contact me at (504) 832-7204.

With kindest personal regards, I am

Very truly yours

MARK C. CARVER

MCC/mc Enclosures

cc: Sheryl Todd (3 copy)

Qualex International (1 copy and diskette)

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Federal-State Board on Universal Service Review of Lifeline and Link-Up Service For All Low-Income Consumers) CC Docket 1	No. 96-45

Comments On Behalf Of The Utility, Cable & Telecommunications Committee Of The City Council Of New Orleans

NOW COMES, the Utility, Cable & Telecommunications Committee of the City Council of New Orleans ("CNO"), through undersigned counsel, who respectfully submits the following comments regarding the Federal-State Board on Universal Service's review of Lifeline and Link-Up service for all low-income consumers.

I. Introduction.

On October 12, 2001, the Federal Communications Commission released a Public Notice seeking comment on review of Lifeline and Link-Up service for all low-income consumers. Lifeline is a government program that helps make telephone service more affordable for qualified low-income consumers by waiving or giving them a credit for some telephone charges, and Link-Up is a program designed to help low-income individuals pay the initial costs of commencing telephone service.

Specifically, the Commission seeks comment as to:

- (1) What is the effectiveness of the current Lifeline/Link-Up program;
- (2) What should be the eligibility criteria to participate in the program;
- (3) What should be the application/verification procedure;
- (4) Are additional modifications to the program needed; and
- (5) What outreach efforts are needed to increase participation in the program?

In light of new technological advances, deregulation and other matters affecting telecommunications, CNO has begun to take an active role in telecommunication proceedings before this Commission and the Louisiana Public Service Commission. CNO has a legitimate interest to ensure that all of its eligible low-income residents receive the benefits of the Lifeline/Link-Up program. In this regard, CNO respectfully submits the following comments. In sum, CNO requests that the Commission adopt rules to ensure that all eligible consumes have access to telecommunications service.

II. Comments.

A. Eligibility Criteria.

The Comments that have been filed in this docket indicate that low-income consumers apparently are not fully participating in the Lifeline Program. According to the comments filed by the National Consumer Law Center, Louisiana appears to have one of the lowest participation levels in the nation.

Some states, like Louisiana, which base Lifeline eligibility *only* on a consumer's enrollment in a public assistance program is the reason for the low participation. For example, in Louisiana, a consumer is eligible to participate in the Lifeline Program *only* if the consumer participates in any of the following public assistance programs: Food Stamps, Low Income Home Energy Assistance Programs (LIHEAP), Medicaid, Federal Public Housing Assistance (Section 8) or Supplemental Security Income (SSI).

However, there may be low-income individuals, who have a need for the benefits of the Lifeline program, but are not able to obtain Lifeline assistance because they are not enrolled in one of the public assistance programs. Many low income individuals are no longer receiving public assistance for numerous reasons, such as, not wanting the stigma of being on welfare, stricter eligibility requirements and mandatory time limits.

Basing eligibility on income (and not just enrollment in a public assistance program) should increase participation in the Lifeline Program. Evidence presented in this docket by the proponents of an income-based enrollment eligibility tend to demonstrate that this eligibility criteria significantly increases Lifeline participation. CNO respectfully requests that the Commission consider adopting rules requiring that Lifeline eligibility should also be based upon income, and not just enrollment in a public assistance program.

B. Verification.

If consumers are able to participate in the Lifeline program based upon their income level, then there must be a way to verify that person's income. The simplest and least expensive method is self-certification. For example, a consumer could file an

affidavit swearing to his income level and further be required to attach thereto his tax returns or paycheck stubs. As a deterrent for fraud and abuse, fines and criminal penalties could be imposed. CNO respectfully requests that the Commission consider adopting rules permitting self-certification for the verification of a consumer's eligibility and providing for penalties in the event of fraud.

C. Automatic Enrollment.

Since some states' eligibility guidelines are based upon enrollment in a public assistance program, in order to increase participation in the Lifeline program, several states are using data from those public assistance agencies to automatically enroll those eligible consumers into the Lifeline Program. Thus, the public agency provides its data to the telecommunications carrier so that the carrier can enroll eligible consumers into the Lifeline program. In other words, the eligible consumer is automatically enrolled without having to take any affirmative action on his part. Automatic enrollment should significantly increased participation in the Lifeline program.

CNO respectfully requests that the Commission consider adopting rules establishing automatic enrollment. However, such rules should adequately address and protect the consumers' privacy rights.

C. Outreach.

Lastly, in order to have an effective Lifeline program with maximum participation by eligible consumers, the public must be made aware of the program. Obviously, the Lifeline program gives no benefit to an uniformed, eligible consumer.

Extensive consumer education and outreach efforts will surely facilitate participation. CNO respectfully requests that the Commission consider undertaking cost-effective outreach efforts that target eligible consumers.

III. Conclusion.

The Commission should also consider the involvement of local government when establishing rules for the Lifeline program. Local government may be in a position to better reach low-income individuals and advise them about the program and its benefits. In order to have an effective Lifeline program, local government should have greater participation and authority in the administration of the program.

Therefore, the Utility, Cable & Telecommunications Committee of the City Council of New Orleans respectfully requests that the Federal Communications Commission adopt rules necessary to ensure that all low-income individuals have access to telecommunications service.

Respectfully submitted:

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Certificate of Service

I hereby certify that the above and foregoing was this day served upon the following by depositing same into the US Mail, postage prepaid and properly addressed.

Signed in Metairie, Louisiana, March 11 2002

MARK C. CARVER

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